(4) There may be delays in repatriation of receivable by exporters from Iraq and Kuwait under the prevailing situation. The Reserve Bank of India have reiterated that while all export receivables may be included in the total current assets for arriving at the maximum permissible bank finance, the minimum stipulated Net Working Capital (25 per cent of total current assets under the second method of lending), may be reckoned after excluding the quantum of export receivables from the total current assets.

(5) Exporters would be permitted to sell the cargo shipped to Iraq and Kuwait but off loaded at other ports to alternate buyers on discount upto 10 per cent without reference to RBI. In cases where the reduction in invoice value is more than 10 per cent or Rs. 20,000 whichever is less the cases will be referred to Reserve Bank of India for consideration. Permission to sell the cargo at discount is subject to the following conditions:—

(a) The reduced price at which goods would be sold to alternative buyers who conform to the minimum export price.

(b) The exporter should surrender export incentives proportionately.

Recovery of excise duty wrongfully refunded

73. SHRI MURLIDHAR CHANDRAKANT BHANDARE:
SHRI MAHENDRA PRASAD.

Will the Minister of FINANCE be pleased to state:

(a) how much of the amount of excise duty wrongfully refunded to manufacturers earlier this year in violation of the Bombay High Court judgement, has since been recovered; and

(b) whether any inquiry has been conducted into the circumstances of issue of instructions for refund of the excise duty in violation of the High Court order; if so, what are the details and the findings thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH): (a) and (b) The instructions for refund of excise duty were issued by Central Board of Excise and Customs in March, 1990 keeping in view judicial pronouncements on the subject. However, the Government has since decided that in principle it would not be appropriate to refund excise duty to manufacturers as they would have already passed on the burden of the duty to their customers. Necessary legislation for this purpose is being formulated.

IMF Suggestions on Financial Management

74. SHRI MURLIDHAR CHANDRAKANT BHANDARE:
SHRI MAHENDRA PRASAD:

Will the Minister of FINANCE be pleased to state:

(a) whether the International Monetary Fund has advised India and other developing countries affected by the Gulf oil crisis that good financial management would consist of devaluation of their currencies in real terms and passing the additional cost of oil to the consumers;

(b) if so, what was the precise advice given by IMF to India; and

(c) what is Government's reaction thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH): (a) to (c) Members of the IMF have different oil purchasing arrangements as well as difftrent initial pricing conditions, ranging from state subsidisation of prices to uncontrolled private